

REMARKS

New claim 40 is similar to claim 1 except the modified transport signal is transmitted and does not have to be recorded.

In response to the rejection of claims 19, -20, 30-31, 34-35 and 37-38 under 35 USC 101, allegedly because the claimed invention is directed toward non-statutory subject matter, the applicant traverses the rejection.

More specifically a modified transport stream is clearly statutory subject matter and recording medium on which such a transport stream has been recorded is clearly statutory subject matter. It is well known to those skilled in the art that the transport packets of a transport stream provide the function in a computer to produce an audio-visual display of the contents of a program. According to MPEP 2106(IV)(B)(2)(c), "a signal claim directed to a practical application of electromagnetic energy is statutory regardless of its transitory nature". The display of audio-visual programs is clearly a practical application.

In response to the suggestion that section headings should be added, applicant hereby declines to add section headings because the position and contents of the headings can result in misinterpretation of the contents of the specification.

The Commissioner is hereby authorized to credit any overpayment or charge any fee (except the issue fee) including fees for any required extension of time, to Account No. 14-1270.

Respectfully submitted,

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